

Thames Valley Berkshire LEP commits £7.25m of capital to create next generation businesses in the sub region

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Berkshire, 9th January 2013 - The Thames Valley Berkshire Local Enterprise Partnership (TVB LEP) is delighted to announce that it has committed £7.25 million of capital to create a new Escalator Fund, which will offer finance to SMEs that can deliver growth, in line with the remit given to LEPs by government. This is a cornerstone of the government's strategy for LEPs – to achieve growth locally. This element is part of a balanced strategy by the LEP that focusses on strategic infrastructure; employment and skills; and aims to develop the next generation of businesses that can contribute to job creation and the prosperity of the sub region.

“The Escalator Fund is our response to the feedback from business across Thames Valley Berkshire during many months of consultation across the sub region. It is designed to provide finance to a range of businesses from start-ups to the more established, looking for funding which is difficult to obtain from more traditional sources. Only businesses that are viewed to have the potential to deliver significant growth and employment opportunities for Thames Valley Berkshire will be considered, as this scheme is all about growing and empowering the local economy” comments Steve Lamb, Chairman, TVB LEP. The Escalator Fund is an initiative led by TVB LEP. It comprises a series of repayable loans and will be live from 1 February 2013:

- £1.75 million has been allocated for the TVB Commercialisation Fund – which will support newly established companies that need limited support to enhance their market position.
- £4 million has been allocated for the TVB Expansion Fund – which will support development to scale up a business and accelerate its growth.
- £1.5 million has been allocated for an Equity Fund (The Thames Valley Growth Fund) – which is designed to support ambitious growing businesses and will be released when matched with private funds

The FSE Group is an independent not-for-profit Community Interest Company whose purpose is to deliver growth funding and support to SMEs. It is authorised and regulated by the Financial Services Authority and will be responsible for managing the £7.25m Fund on behalf of the Local Enterprise Partnership. TVB LEP has delegated this responsibility to an organisation that has proven expertise in this field; indeed during the five years to 2011 FSE leveraged £107m of additional capital from an initial investment of £29m.

Kevan Jones, CEO, The FSE Group comments: “We’re delighted to be working on this initiative as we understand the risks involved in lending, and have over 10 years of experience in assessing businesses and the value that they will bring to a local economy. Many potential applicants are already in the pipeline and I urge companies to include apprentices in their business growth plans and to look at the criteria from every possible angle. Although we’re the Fund Managers, our company is also regulated by the FSA, to ensure that the decisions we make will be the best for individual businesses and the overall health and prosperity of Thames Valley Berkshire.”

TVB LEP is the only LEP to use its Growing Places Fund - in line with national government - to drive growth and jobs in this way. TVB LEP was allocated £15m capital in the Growing Places Fund of which

£10.28m has been already committed across a balanced portfolio that includes commitments to the Superfast Berkshire (broadband) initiative, a town centre regeneration scheme in Bracknell and some revenue to support the Western Rail Access to Heathrow project, which has successfully attracted £500m of funding committed from government.

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About Thames Valley Berkshire Local Enterprise Partnership

The Thames Valley Berkshire LEP is a business led body, working to maintain the status of the sub region as the engine of the UK economy. It comprises of key leaders across the business, education, voluntary and community sector, and six unitary authority areas of: Bracknell Forest, Reading, Slough, West Berkshire, Windsor & Maidenhead and Wokingham. The LEP's priorities are improving infrastructure, for example, the Western Rail Access to Heathrow (WRAtH) programme; access to superfast broadband and finance; and ensuring a work-ready population through the development of skills and education opportunities. For more details on Thames Valley Berkshire LEP's strategic priorities please visit the website <http://www.thamesvalleyberkshire.co.uk>.

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